



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Set Public Hearing for August 17, 2011, to Introduce Ordinance Amending Chapter 13.20 "Electrical Service" Section 175 Titled Schedule ECA – Energy Cost Adjustment

MEETING DATE: August 3, 2011

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Set a Public Hearing for August 17, 2011, to introduce ordinance amending Chapter 13.20 "Electrical Service" Section 175 titled Schedule ECA – Energy Cost Adjustment.

BACKGROUND INFORMATION: Schedule ECA – Energy Cost Adjustment currently states the ECA calculations will be audited and verified by the Lodi Budget and Finance Committee (LBFC). On March 16, 2011 the City Council adopted Resolution No. 2011-38, disbanding the LBFC.

Staff recommends that the following sentence be removed from the Ordinance: ECA calculations will be presented to the Lodi Budget and Finance Committee for their ongoing audit verification.

The ECA is being reviewed and verified by the Rates and Resources Manager, Electric Utility Director, Deputy City Manager and a Chartered Financial Analyst prior to monthly implementation.

FISCAL IMPACT: None for the setting of a public hearing.

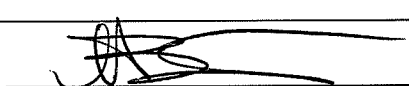
FUNDING: None required.


Elizabeth A Kirkley
Electric Utility Director

Prepared By: Kevin Bell, Electric Rate Analyst

EAK/KPB/lst

APPROVED:


Konradt Bartlam, City Manager

CITY OF LODI

ELECTRIC UTILITY DEPARTMENT

SCHEDULE ECA

ENERGY COST ADJUSTMENT

APPLICABILITY:

This schedule is applicable to all electric customers served by the City of Lodi. Each customer shall pay the applicable rate plus an Energy Cost Adjustment (ECA) for each kilowatt-hour (kWh) delivered to the customer. The adjustment shall be the product of the total kilowatt-hours (kWh) for which the bill is rendered times the ECA amount per kWh.

The purpose of the ECA is to adjust for increases/decreases to the City of Lodi's wholesale energy costs. This adjustment provides a mechanism to recover increased costs for wholesale energy or to lower collections when costs decrease below the base charge level.

RATES:

Effective July 6, 2007, the ECA billing factor for any given month shall be calculated as follows:

$$\text{ECA} = \frac{(a) + (b) - (c)(d+f)}{(e)}$$

Where:

(a) equals the amount the City of Lodi is actually charged by the Northern California Power Agency for the billing month, including adjustments for prior billing periods, less any third party revenue credits.

(b) equals the City of Lodi's estimated costs related to the acquisition of wholesale power, both financial and physical, procured directly by the City for the billing month, including adjustments for prior billing periods.

(c) equals the difference between actual retail energy sales and projected sales levels for the month which is two (2) months prior to the billing month.

(d) equals the ECA billing factor for the month which is two (2) months prior to the billing month.

(e) equals the forecast of projected retail energy sales for the billing month.

(f) equals the baseline energy cost for the City of \$0.0831.

The City of Lodi will recalculate the ECA each month, and resulting amount shall be automatically implemented for bills rendered during the following billing month. The ECA shall not be discounted.



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: PUBLIC HEARING TO CONSIDER INTRODUCING AN ORDINANCE
AMENDING CHAPTER 13.20 - ELECTRICAL SERVICE - SECTION 175
TITLED, "SCHEDULE ECA - ENERGY COST ADJUSTMENT" and
INTRODUCING AN ORDINANCE AMENDING CHAPTER 13.20 -
ELECTRICAL SERVICE - SECTION 200 TITLED, "SCHEDULE ED -
RESIDENTIAL SHARE PROGRAM SERVICE"

PUBLISH DATE: SATURDAY, AUGUST 6, 2011


LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, AUGUST 4, 2011

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
Phoned to confirm receipt of all pages at _____ (time) JMP MB CF (initials)



DECLARATION OF POSTING

**PUBLIC HEARING TO CONSIDER INTRODUCING AN ORDINANCE AMENDING
CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 175 TITLED, “SCHEDULE
ECA – ENERGY COST ADJUSTMENT” and INTRODUCING AN ORDINANCE
AMENDING CHAPTER 13.20 – ELECTRICAL SERVICE – SECTION 200 TITLED,
“SCHEDULE ED – RESIDENTIAL SHARE PROGRAM SERVICE”**

On Friday, August 5, 2011, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 175 titled, “Schedule ECA – Energy Cost Adjustment” and introducing an ordinance amending Chapter 13.20 – Electrical Service – Section 200 titled, “Schedule ED – Residential SHARE Program Service” (attached and marked as Exhibit A) was posted at the following locations:

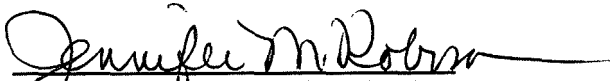
Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 5, 2011, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: August 17, 2011

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

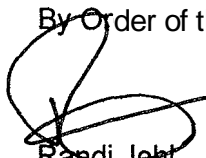
NOTICE IS HEREBY GIVEN that on **Wednesday, August 17, 2011**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) **Introduce ordinance amending Chapter 13.20 - Electrical Service - Section 175 titled, "Schedule ECA - Energy Cost Adjustment"**
- b) **Introduce ordinance amending Chapter 13.20 - Electrical Service - Section 200 titled, "Schedule ED - Residential Share Program Service"**

Information regarding this item may be obtained in the Electric Utility Department, 1331 South Ham Lane, Lodi, (209) 333-6762. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

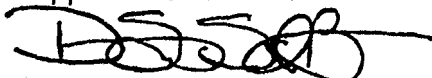
If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:


Randi Johl
City Clerk

Dated: August 3, 2011

Approved as to form:



D. Stephen Schwabauer
City Attorney